

United States House of Representatives
Committee on Agriculture
Federal Farm Policy Hearing, Yakima WA

Testimony Provided By:

Kraig Knutzen
Washington State Potato Commission
9255 Chuckanut Drive
Burlington, WA 98233
(360) 757-6771

The Honorable Chairman Goodlatte and Honorable Committee Members and Representatives,

My name is Kraig Knutzen and I am part of a 5th generation family farming operation in the Skagit Valley of Western Washington, which lies in the 2nd Congressional District. We farm 2000 acres of potatoes, green peas, grass seed, corn, and wheat. Potatoes represent half of our acres. We grow and pack potatoes primarily for the fresh market and export a portion of our crop to Mexico, Canada, and Asia. Potatoes have been a part of my life for as long as I can remember. I have also recently served as the Chairman of the US Potato Board.

Today I am representing the Washington State Potato Commission as a member of the Washington State Potato Industry. The Washington State Potato Commission works with approximately all 350 potato growers throughout Washington. Potatoes are the second largest crop grown in the state, with an annual farm-gate value of approximately \$500 million. Washington State exports half of its potato crop and accounts for nearly one-third of all potatoes and potato products exported from the U.S., totaling nearly \$500 million in value added exports from the Ports of Seattle, Portland, and Tacoma in the year 2001 alone.

A study of the economic impacts of the Washington State potato industry show that potato farming and related processing contributes over \$3 billion annually to the Washington economy. This translates into over 27,000 jobs.

There is a disparity in the current Farm Bill that needs correction. Ninety-two percent of commodity spending was paid on 5 crops representing only a third of the growers in the U.S. The majority, the other two-thirds of the farmers, many specialty crop growers like myself, receive very little support from the current Farm Bill. Potato growers do not want traditional programs with direct payments but need assistance in other program areas.

The Washington State Potato Commission is part of a national coalition of specialty crop producers advocating for a change in this disparity. We are advocating for the following Farm Bill policies


1. **Nutrition Programs** – We support a strong new focus within the 2007 Farm Bill on increasing the access and availability of fruits and vegetables, particularly to children. We support the development of a new nutrition promotion program to assist producers in enhancing their markets and improving the diets of Americans, and a general requirement that USDA feeding programs and commodity purchasing comply with the 2005 Dietary Guidelines.

Funding state organizations such as the Access To Healthy Foods Coalition in Washington State, is another method to improve nutrition. Access works with foodservice providers and delivery points such as Seahawk Stadium, as well as schools and worksites, to promote policy change that makes healthy food available where citizens live, learn, work and play.

2. **State Block Grants** – We support an expansion of the State Block Grants for Specialty Crops program originally authorized in the Specialty Crop Competitiveness Act of 2004, and funded through appropriations in the FY06 Agricultural Appropriations bill. Due to the wide diversity and localized needs in specialty crop production, state departments of agriculture are uniquely able to assist local growers with the specific investments they need to increase competitiveness.
3. **International Trade** -- We support programs to increase foreign market access, to increase funding for the Technical Assistance for Specialty Crops program, and creating a new Export Division within APHIS to attack with much greater vigor the real but too often hidden trade barriers facing our industry in sanitary/phytosanitary issues. We also strongly support the Market Access Program.
4. **Invasive Pests and Disease** – We support significant new investment in prevention of the unintentional introduction of plant pests and diseases. Investment in prevention is more cost-effective than mitigation. A recent find of the Potato Cyst Nematode in Idaho is an example of the need for tighter border controls. This find was the first in the US of this devastating pest.
5. **Research** – We support significant new investment in research for specialty crops, through both the National Research Initiative and programs within CSREES and ARS.

- 6. Unique Attributes of Specialty Crop Producers** – Due to the nature of high-value specialty crop production, many current Farm Bill programs and disaster programs are of limited benefit to specialty producers due to payment caps, limits on Adjusted Gross Income, limits on off-farm income even if integral to farming operations, etc. We support a thorough review of all farm programs to ensure that specialty crop producers have access to benefits comparable to other farmers, rather than being excluded or limited simply due to a higher-cost of production.
- 7. Conservation Programs** – We support a mandatory allotment of funding for specialty crop production within EQIP similar to what currently exist for the livestock industry.

Thank you for this opportunity for the Washington potato growers to part of the dialog in developing this new Ag policy. Please feel free to call upon us as a resource in future discussion as we develop the new Farm Bill. I would welcome any question you may have.

A handwritten signature in blue ink, appearing to read "R. Kraig Knutzen". The signature is fluid and cursive, with a large initial "R" and a stylized "K" and "N".

Kraig Knutzen